

## PORT OF HOUSTON

EXECUTIVE OFFICES: 111 EAST LOOP NORTH • HOUSTON, TEXAS 77029 MAILING ADDRESS: P.O. BOX 2562 • HOUSTON, TEXAS 77252-2562 TELEPHONE: (713) 670-2400 • FAX: (713) 670-2127

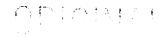
A U TEH DIR HTTY

99 FEB 25 AM II: 17

DOCKET SECTION



RUBEN H. ARREDONDO Marine Manager (713) 670 2636



February 15,1999

Docket Management Facility USCG 1998 - 4302 - 1 U. S. Department of Transportat ion 400 Seventh St., SW PL-40 1 Washington, D.C. 20590 - 0001 Atten: LCDR John Fat-thing

RE: Coast Guard Notice of Proposed Rulemaking 33 CFR part 126 (FR 10/29/98)

The Port of Houston Authority wishes to go on record and make public comments regarding the proposed effort to update the regulations in 33 CFR part 126. We compliment the effort to improve the safety of Designated Waterfront Facilities. However, we need to be cautious that facilities and ports are not burdened with unduly severe requirements that will eventually interfere with commerce. It appears that there is no conclusive evidence or statistics to show that waterfront facilities need to fall under strict regulatory compliance. Particularly those facilities operating for many years as containerized terminals with proven excellent safety records. Obviously good intentions can sometimes prove to be costly ventures for the industry.

Although there are many issues in the new regulations that can be discussed in detail, we wish to address the major points which we feel will resolve many of the accompanying minor points. Our specific comments are as follows:

<u>Section 126.15 (a-n)</u> Adopting NFPA standards and applying them to existing facilities can create financially disastrous consequences. Particularly those facilities and terminals which were built over 20 years ago. Installing upgraded fixed fire extinguishing systems, fixed sprinkler systems, upgraded electrical standards, etc. can seriously threaten the existence of many ports. The proposal to adopt the NFPA standards should be given careful consideration prior to a blanket adoption of these standards. We suggest that facilities be "grandfathered" based on the age of the facility or that alternative compliance be allowed to meet the spirit and intent of the new regulations.

Section 126.27 (d-l) These proposed regulations apply to the existing regulations found in 49 CFR 176.80, .83, and .84. Their original intent was to provide safe segregation procedures of dangerous cargo on ships to protect personnel and property in general. Factors taken into consideration were that vessels were out of reach from land based fire departments, limited space of the vessel placed the containers in close proximity, and most ship's voyages were of long duration. These conditions do not exist at waterfront facilities.

Since December 1, 1997, we have required all hazardous cargo handled by the Port of Houston Authority to be stored on a chassis (with the exception of IMDG 1, which may not remain on the terminal). By removing hazardous containers from grounded stacks, we have provided a safer environment by: 1) enabling easy access and identification in the event of an emergency, 2) reducing the handling and the potential for related incidents, 3) providing greater accessibility for daily proactive monitoring, 4) reducing the potential for contamination of adjacent cargo, and 5) providing greater segregation by the inherent fact that all cargo is within containers and stored on chassis. Unlike a ship, we further provide additional safeguards by immediately dispatching our own fire apparatus and personnel capable of controlling a fire and mitigating any hazardous material incident. Additionally, local fire departments and mutual industry associations provide emergency equipment and technical support upon request. Equally important in this safety equation is the fact that our own tariff prohibits IMDG 1.1 and 1.2 explosives in our facilities and limit 1.3 to 50 pounds net.

In 1998 we moved approximately 1,000,000 TEU's with a minimum number of incidents. Evidence that our alternate safety plan works becomes more compelling when we analyze the gravity and the low number of incidents. To restate our position, we agree that the regulations in 176.83 may work well for grounded containers and provides a safe environment. However, we strongly believe that the Coast Guard should recognize that chassis storage provides natural segregation and is a viable hazardous storage alternative. Therefore, wheeled storage should not be restricted by impractical segregation requirements of the proposed 126.27.

We are grateful for the opportunity to make these comments and for the attention we have received from the different Coast Guard offices that have discussed these issues with us. We hope that our comments are given favorable consideration and extend an invitation to your personnel to visit our facilities and take a first-hand look at our operation.

Sincerely,

Julion H. and

C: T. Komegay

T. Walters

R. Barrera

J. Scardasis

J. Jamison

LT. M. York, USCG, MSO Hou/Galv

S. Binstock, AAPA